



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
www.rbi.org.in

RBI/2011-12/284

RPCD.CO.FID.BC.No.41 /12.01.011/2011-12

November 30, 2011

The Chairman/Managing Director/
Chief Executive Officer
All Scheduled Commercial Banks
(Excluding Regional Rural Banks)

Dear Sir,

Financial Inclusion-Opening of Aadhaar Enabled Bank Accounts (AEBA).

Please refer to our Circular RPCD.CO.BC.FID No 16/12.01 019/2011-12 dated August 12, 2011 forwarding the Operational Guidelines on implementation of Electronic Benefit transfer (EBT) and its convergence with Financial Inclusion Plan (FIP).

2. In view of the timelines attached to the implementation of EBT for routing MGNREGA wages and social security benefits including proposed cash transfers in respect of subsidies on Kerosene, LPG and Fertilisers, you are requested to ensure opening of Aadhaar Enabled Bank Accounts (AEBA) of all the beneficiaries including those residing in villages with less than 2000 population.

3. Please acknowledge receipt.

Yours faithfully

(Dr. Deepali Pant Joshi)
Chief General Manager-in-Charge



भारतीय रिज़र्व बैंक
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RBI/2011-12/610

RPCD.CO.RRB BC.No 88/03.05.33/2011-12

June 19, 2012

The Chairmen

All Regional Rural Banks(RRBs)

Madam / Dear Sir,

Financial Inclusion-Opening of Aadhaar Enabled Bank Accounts (AEBA).

Please refer to our Circular RPCD CO.BC FID No 16/12 01 019/2011-12 dated August 12, 2011 forwarding the Operational Guidelines on implementation of Electronic Benefit transfer (EBT) and its convergence with Financial Inclusion Plan (FIP).

2. In view of the timelines attached to the implementation of EBT for routing MGNREGA wages and social security benefits including proposed cash transfers in respect of subsidies on Kerosene, LPG and Fertilisers, you are requested to ensure opening of Aadhaar Enabled Bank Accounts (AEBA) of all the beneficiaries including those residing in villages with less than 2000 population.

3. Please acknowledge receipt.

Yours faithfully

(C. D. Srinivasan)
Chief General Manager

T. C



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RBI/2012-13/498

RPCD.CO. LBS.BC.No. 75 /02.01.001/2012-13

May 10, 2013

To

CMDs of all SLBC Convenor banks and Lead banks

Dear Sir,

Direct Benefit Transfer (DBT) Scheme - Implementation

Please refer to the paragraph 67 of the Monetary Policy Statement for 2013-14 announced on May 3, 2013. DBT is being rolled out in a phased manner with 43 districts taken up in the first phase from January 1, 2013 and will be extended to 78 more districts from July 1, 2013. Eventually, all districts in the country would be covered under the DBT scheme

2. With a view to facilitating DBT for the delivery of social welfare benefits by direct credit to the bank accounts of beneficiaries, banks are advised to:

- open accounts for all eligible individuals in camp mode with the support of local government authorities,
- seed the existing accounts or the new accounts opened with Aadhaar numbers and
- put in place an effective mechanism to monitor and review the progress in the implementation of DBT

3. As stated above, SLBC Convenor Banks and Lead Banks should institute a monitoring and review mechanism to periodically assess and evaluate the progress made in the implementation of DBT by banks. The review of progress in the implementation of DBT should be included as a regular agenda for discussion in SLBC and DCC meetings.

Rural Planning and Credit Department, Central Office, 10th Floor, C O Building, Fort, Mumbai, 400001
टेलिफोन /Tel No:022-22621001 फैक्स/Fax No:022-22610943/8 Email ID:cgmincrpcd@rbi.org.in

हिंदी आख्यान है, इसका प्रयोग न करें

उपेक्षावनी Caution: रिज़र्व बैंक द्वारा मेल-ड्राफ्ट, एसएमएस या फोन कॉल के जरिए किसी की भी व्यक्तिगत जानकारी जैसे बैंक के खाते का नंबर, पासवर्ड आदि नहीं मांगी जाती है। यह धन रखने या देने का प्रस्ताव भी नहीं करता है। ऐसे प्रस्तावों का किसी भी तरीके से जवाब मत दीजिए।
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4. The SLBC Convenor banks shall submit a monthly statement of district wise progress made in implementing DBT from the month ended April 30, 2013 as per the enclosed format in EXCEL by the 10th of the succeeding month to the respective Regional Office of Reserve Bank.

Yours faithfully,

Sd/-

(A. Udgata)

Principal Chief General Manager

Encl: Format

Date: May 03, 2013

Monetary Policy Statement 2013-14

Financial Inclusion

Direct Benefit Transfer

67. With a view to facilitating Direct Benefit Transfer (DBT) for the delivery of social welfare benefits by direct credit to the bank accounts of beneficiaries, it is proposed to advise banks to:

- open accounts for all eligible individuals in camp mode with the support of local government authorities;
- seed the existing accounts or the new accounts opened with Aadhaar numbers; and
- put in place an effective mechanism to monitor and review the progress in the implementation of DBT.

Guidelines are being issued separately.

T. C.



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RBI/2013-14/129
RPCD.CO.LBS.BC No.11/02.01 001/2013-14

July 9, 2013

To

CMDs of all SLBC Convenor banks and Lead banks

Dear Sir,

Direct Benefit Transfer (DBT) Scheme

A workshop on DBT Scheme was recently held in Mysore which was *interalia* attended by Chairman, Unique Identification Authority of India (UIDAI), Finance Secretaries of select States, Top Management of Reserve Bank of India and bankers from the State of Karnataka. While reviewing the progress of seeding of Aadhaar number in bank accounts, it was emphasized that banks should proactively take steps to open a large number of bank accounts, seed these accounts with Aadhaar numbers and view it as a sustainable & scaleable business opportunity. As an illustration, a reference is also made to the possibility of utilizing the services of LPG distributors for opening of bank accounts and seeding Aadhaar numbers in bank accounts.

2. In this connection, while inviting attention to our circular RPCD CO.LBS.BC No. 75/02.01 001/2012-13 dated May 10, 2013 on implementation of DBT Scheme and with a view to facilitate seamless rollout of Aadhaar based direct benefit transfer of Government benefits including LPG subsidy, banks are further advised to:

- take steps to complete account opening and seeding Aadhaar number in all the DBT districts.
- closely monitor the progress in seeding of Aadhaar number in bank accounts of beneficiaries

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हिंदी अनुवाद है, इसका प्रयोग बर्दाश्त ।

"धैतावनी Caution. रिज़र्व बैंक द्वारा मेल-ड्राफ्ट, एसएमएस या फोन कॉल के जरिए किसी की भी व्यक्तिगत जानकारी जैसे बैंक के खाते का प्यौरा, पासवर्ड आदि नहीं मांगी जाती है। यह धन रखने या देने का प्रस्ताव भी नहीं करता है। ऐसे प्रस्तावों का किसी भी तरीके से जवाब मत दीजिए।"
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- put in place a system to provide acknowledgement to the beneficiary of seeding request and also send confirmation of seeding of Aadhaar number.
- form DBT Implementation Co-ordination Committee, along with State Government department concerned, at district level and review the seeding of Aadhaar number in bank accounts.
- ensure that district and village wise names and other details of business correspondents (BCs) engaged/other arrangements made by the bank is displayed on the SLBC website.
- set up a Complaint Grievance Redressal mechanism in each bank and nominate a Complaint Redressal Officer in each district, to redress the grievances related to 'seeding of Aadhaar number in bank accounts'.

Yours faithfully,

(A. Udgata)
Principal Chief General Manager

T. C



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भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
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RBI/2013-14/209

DBOD.AML.BC. No. 44 /14.01.001/2013-14

September 2, 2013

The Chairmen / CEOs of all Scheduled Commercial Banks
(Excluding RRBs)/Local Area Banks / All India Financial Institutions

Dear Sir,

Know Your Customer (KYC) Norms /Anti-Money Laundering (AML) Standards/ Combating of Financing of Terrorism (CFT)/Obligation of banks under Prevention of Money Laundering Act (PMLA), 2002 – e-KYC Service of UIDAI – Recognising on-line Aadhaar authentication (electronic verification process) to be accepted as an 'Officially Valid Document' under PML Rules

Please refer to paragraph 2.6 (B) (a) of our Master Circular DBOD.AML.BC. No. 24/14.01.001/ 2013-14 dated July 1, 2013 on Know Your Customer (KYC) Norms / Anti-Money Laundering (AML) Standards/Combating of Financing of Terrorism (CFT)/Obligation of banks under PMLA, 2002 which states that letter issued by the Unique Identification Authority of India (UIDAI) containing details of name, address and Aadhaar number may be accepted as an 'Officially Valid Document'. Further in terms of paragraph 2.6 (B) (d) of the Master Circular it has been advised to banks that, while opening accounts based on Aadhaar, if the address provided by the account holder is the same as that on Aadhaar letter, it may be accepted as a proof of both identity and address.

2. In order to reduce the risk of identity fraud, document forgery and have paperless KYC verification, UIDAI has launched its e-KYC service. Accordingly, it has been decided to accept e-KYC service as a valid process for KYC verification under Prevention of Money Laundering (Maintenance of Records) Rules, 2005. Further, the information containing demographic details and photographs made available from UIDAI as a result of e-KYC process ("which is in an electronic form and accessible so as to be usable for a subsequent reference") may be treated as an 'Officially Valid Document' under PML Rules. In this connection, it is advised that while using e-KYC service of UIDAI, the individual user has to authorize the UIDAI, by explicit consent, to release her or his identity/address through biometric authentication to the bank

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Department of Banking Operations & Development, Central Office, Central Office Building, 13th Floor, Shahid Bhagat Singh Marg, Fort, Mumbai-400 001

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हमारी योजना है, इसका प्रयोग बढ़ाएँ

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branches/business correspondents (BCs). The UIDAI then transfers the data of the individual comprising name, age, gender, and photograph of the individual, electronically to the bank/BCs, which may be accepted as valid process for KYC verification. The broad operational instructions to banks on Aadhaar e-KYC service is enclosed as Annex.

3. Banks are advised to have proper infrastructure (as specified in Annex) in place to enable biometric authentication for e-KYC.

4. Physical Aadhaar card/letter issued by UIDAI containing details of name, address and Aadhaar number received through post would continue to be accepted as an 'Officially Valid Document'.

5. Banks may revise their KYC policy in the light of the above instructions and ensure strict adherence to the same.

Yours faithfully,

(Prakash Chandra Sahoo)
Chief General Manager

Operational Procedure to be followed by banks for e-KYC exercise

The e-KYC service of the UIDAI is to be leveraged by banks through a secured network. Any bank willing to use the UIDAI e-KYC service is required to sign an agreement with the UIDAI. The process flow to be followed is as follows:

1. Sign KYC User Agency (KUA) agreement with UIDAI to enable the bank to specifically access e-KYC service.
2. Banks to deploy hardware and software for deployment of e-KYC service across various delivery channels. These should be Standardisation Testing and Quality Certification (STQC) Institute, Department of Electronics & Information Technology, Government of India certified biometric scanners at bank branches/ micro ATMs/ BC points as per UIDAI standards. The current list of certified biometric scanners is given in the link below:
http://www.stqc.gov.in/sites/upload_files/stqc/files/UID_Auth_Certlist_250613.pdf
3. Develop a software application to enable use of e-KYC across various Customer Service Points (CSP) (including bank branch, BCs etc.) as per UIDAI defined Application Programming Interface (API) protocols. For this purpose, banks will have to develop their own software under the broad guidelines of UIDAI. Therefore, the software may differ from bank to bank.
4. Define a procedure for obtaining customer authorization to UIDAI for sharing e-KYC data with the bank. This authorization can be in **physical** (by way of a written explicit consent authorising UIDAI to share his/her Aadhaar data with the bank/BC for the purpose of opening bank account) /**electronic** form as defined by UIDAI from time to time.
5. Sample process flow would be as follows:
 - a. Customer walks into CSP of a bank with his/her 12-digit Aadhaar number and explicit consent and requests to open a bank account with Aadhaar based e-KYC.
 - b. Bank representative manning the CSP enters the number into bank's e-KYC application software.
 - c. The customer inputs his/her biometrics via a UIDAI compliant biometric reader (e.g. fingerprints on a biometric reader).
 - d. The software application captures the Aadhaar number along with biometric data, encrypts this data and sends it to UIDAI's Central Identities Data Repository (CIDR).
 - e. The Aadhaar KYC service authenticates customer data. If the Aadhaar number does not match with the biometrics, UIDAI server responds with an error with various reason codes depending on type of error (as defined by UIDAI).
 - f. If the Aadhaar number matches with the biometrics, UIDAI responds with digitally signed and encrypted demographic information [Name, year/date of birth, Gender, Address, Phone and email (if available)] and photograph. This information is captured by bank's e-KYC application and processed as needed.

- g. Bank's servers auto populate the demographic data and photograph in relevant fields. It also records the full audit trail of e-KYC viz. source of information, digital signatures, reference number, original request generation number, machine ID for device used to generate the request, date and time stamp with full trail of message routing, UIDAI encryption date and time stamp, bank's decryption date and time stamp, etc.
- h. The photograph and demographics of the customer can be seen on the screen of computer at bank branches or on a hand held device of BCs for reference.
- i. The customer can open bank account subject to satisfying other account opening requirements.

T. C



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RBI/2013-14/337

DPSS. CO. AD. No./ 919 /02 27.005/2013-14

October 25, 2013

To

All Payment System Providers, System Participants
and any prospective prepaid payment instrument Issuer

Madam/Dear Sir

Know Your Customer (KYC) Norms /Anti-Money Laundering (AML) Standards/ Combating of Financing of Terrorism (CFT)/Obligation of PSOs under Prevention of Money Laundering Act (PMLA), 2002 – e-KYC Service of UIDAI – Recognizing on-line Aadhaar authentication (electronic verification process) to be accepted as an 'Officially Valid Document' under PML Rules

Please refer to our circular DPSS.No 2174/02 14 004/2010-11 dated March 23, 2011 on Know Your Customer (KYC) Norms / Anti-Money Laundering (AML) Standards/ Combating of Financing of Terrorism (CFT) / Obligation of banks under PMLA, 2002 which states that letter issued by the Unique Identification Authority of India (UIDAI) containing details of name, address and Aadhaar number as quoted under para 2 (d) of PML Rules, 2005 may be accepted as an 'Officially Valid Document'.

2. In order to reduce the risk of identity fraud, document forgery and have paperless KYC verification, UIDAI has launched its e-KYC services. Accordingly, it has been decided to accept e-KYC service as a valid process for KYC verification under Prevention of Money Laundering (Maintenance of Records) Rules, 2005. Further, the information containing demographic details and photographs made available from UIDAI as a result of e-KYC process ("which is in an electronic form and accessible so as to be usable for a subsequent reference") may be treated as an 'Officially Valid Document' under PML Rules. In this connection, it is advised that while using e-KYC service of UIDAI, the individual user has to authorize the UIDAI, by explicit consent, to release her or his identity/address through biometric authentication to the Payment

मुद्रातान आण निपटान प्रणाली विभाग, केंद्रीय कार्यालय, 14 बीमजिल, केंद्रीय कार्यालय भवन, शहीर भगत सिंह मार्ग, कोट, मुम्बई - 400001 cgmdpss@rbi.org.in
Department of Payment & Settlement Systems, Central Office, 14th Floor, Central Office Building, S.B.S. Marg, Mumbai 400 001, India
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System Operators (PSOs). The UIDAI then transfers the data of the individual comprising name, age, gender and photograph of the individual, electronically to the PSOs, which may be accepted as valid process for KYC verification. The broad operational instructions to PSOs on Aadhaar e-KYC service is enclosed as Annex.

3. PSOs are advised to have proper infrastructure (as specified in Annex) in place to enable biometric authentication for e-KYC.

4. Physical Aadhaar card/letter issued by UIDAI containing details of name, address and Aadhaar number received through post would continue to be accepted as an 'Officially Valid Document'

5. PSOs authorised under the Payment and Settlement Systems Act, 2007 (PSS Act) may revise their KYC policy in the light of the above instructions and ensure strict adherence to the same.

Yours faithfully

(Vijay Chugh)
Chief General Manager
Encls: as above

Annex

Operational Procedure to be followed by PSOs for e-KYC exercise

The e-KYC service of the UIDAI may be leveraged by PSOs through a secured network. Any PSO willing to use the UIDAI e-KYC service is required to sign an agreement with the UIDAI. The process flow to be followed is as follows:

1. Sign KYC User Agency (KUA) agreement with UIDAI to enable the PSOs to specifically access e-KYC service.
2. PSOs to deploy hardware and software for deployment of e-KYC service across various delivery channels. These should be Standardisation Testing and Quality Certification (STQC) Institute, Department of Electronics & Information Technology, Government of India certified biometric scanners at PSO outlets/ agents / micro ATMs as per UIDAI standards. The current list of certified biometric scanners is given in the link below:

http://www.stqc.gov.in/sites/upload_files/stqc/files/UID_Auth_Certlist_250613.pdf

3. Develop a software application to enable use of e-KYC across various Customer Service Points (CSP) (including PSO outlets/ agents) as per UIDAI defined Application Programming Interface (API) protocols. For this purpose PSOs will have to develop their own software under the broad guidelines of UIDAI. Therefore, the software may differ from PSO to PSO
4. Define a procedure for obtaining customer authorization to UIDAI for sharing e-KYC data with the PSOs. This authorization can be in physical (by way of a written explicit consent authorising UIDAI to share his/her Aadhaar data with the PSOs for the purpose of opening an account) / electronic form as defined by UIDAI from time to time.
5. Sample process flow would be as follows:

- a. Customer walks into CSP of a PSO with his/her 12-digit Aadhaar number and explicit consent and requests to open an account with Aadhaar based e-KYC.

- b. PSOs representative manning the CSP enters the number into PSO's e-KYC application software.
 - c. The customer inputs his/her biometrics via a UIDAI compliant biometric reader (e.g. fingerprints on a biometric reader).
 - d. The software application captures the Aadhaar number along with biometric data, encrypts this data and sends it to UIDAI's Central Identities Data Repository (CIDR).
 - e. The Aadhaar KYC service authenticates customer data. If the Aadhar number does not match with the biometrics, UIDAI server responds with an error with various reason codes depending on type of error (as defined by UIDAI).
 - f. If the Aadhaar number matches with the biometrics, UIDAI responds with digitally signed and encrypted demographic information [Name, year/date of birth, Gender, Address, Phone and email (if available)] and photograph. This information is captured by PSO's e-KYC application and processed as needed.
 - g. PSO's server auto populates the demographic data and photograph in relevant fields. It also records the full audit trail of e-KYC viz. source of information, digital signatures, reference number, original request generation number, machine ID for device used to generate the request, date and time stamp with full trail of message routing, UIDAI encryption date and time stamp, PSO's decryption date and time stamp, etc.
 - h. The photograph and demographics of the customer can be seen on the screen of computer at PSO outlet or on a hand held device of their agents for reference.
 - i. The customer can open his/her account with the PSO subject to satisfying other requirements.
-

T.C